

# POLYSILICON

## INVESTMENT OPPORTUNITY SCORECARD

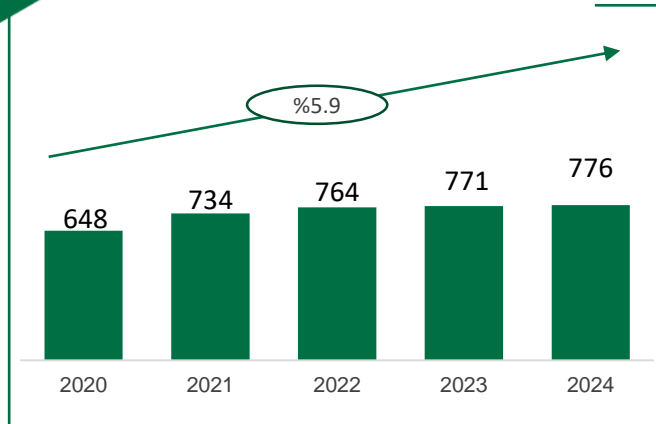
### MINING & METALS



**OPPORTUNITY'S DESCRIPTION:** Opportunity to develop 10 KTPA polysilicon plant to supply the domestic market

## DEMAND

### GLOBAL MARKET SIZE, KT



### INVESTMENT HIGHLIGHTS

- Expected investment size of 1,100 USD Mn
- Plant capacity: 10 ktpa

## INVESTMENT OVERVIEW

### VALUE PROPOSITION

- Mining and Metals industry set to become the “third pillar” of the Saudi industrial base due to KSA's rich deposits of minerals
- KSA's geographical advantage and trade agreements with neighboring countries make exporting favorable
- KSA is working to develop sustainable and globally competitive value-added semi-finished and finished metal industries (downstream) that support the Kingdom's goals of diversification
- Opportunity to cater demand created through giga projects in KSA
- In line with Saudi Vision 2030, KSA aims to maximize local production of silicon and supply primary raw material to the local silicon-based industries

### KEY DEMAND DRIVERS

- KSA plans to localize the solar value chain, including polysilicon production
- Located in the middle of the “sun belt”, KSA is ranked as the 6th country with the highest potential for production of solar energy
- Led by Vision 2030, KSA has significant plans to increase solar PV installations and has ambitions to localize the value chain. NREP targets 40 GW of installed capacity by 2030

## MARKET OVERVIEW

### GLOBAL TRENDS

- Global Polysilicon Market is estimated to reach USD 14.7 billion by 2027 at a CAGR of 11.8%
- Solar PV cells account for around 90% of all polysilicon end-use, while semi-conductors account for around 10%.
- China is the main polysilicon consumer, as the country accounts for ~90% of global solar PV wafer production
- The rising need for alternate energy source due to the depletion of fossil fuels is expected to increase the demand for solar photovoltaics, which in turn will drive the market



# MINING & METALS POLYSILICON

Public / متاح

## SUPPLY

### SCALABILITY AND LOCALIZATION

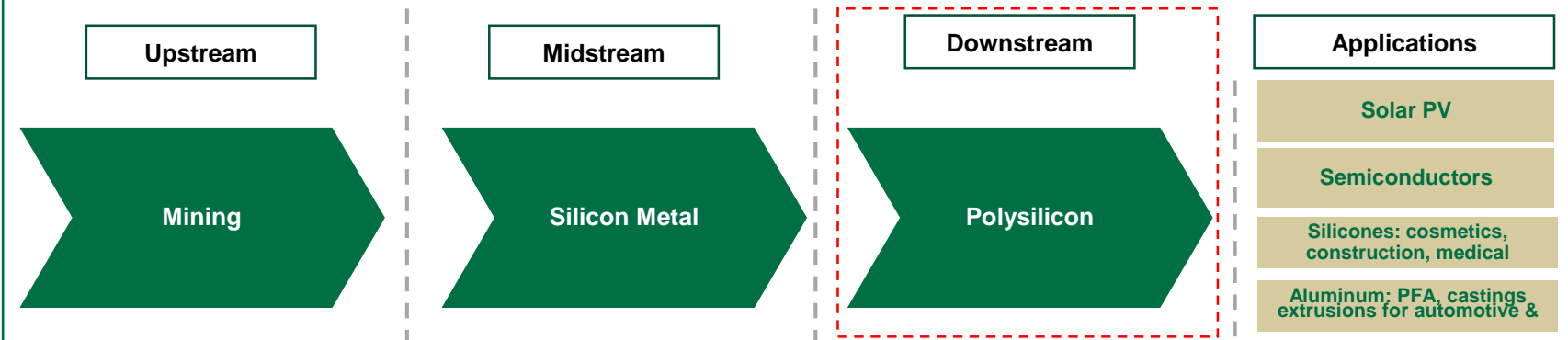
Grade: Low Medium High

- Low cost of construction, labor wages and utility fees to support low capital and operating expense for the investor and enable extending geographic footprint
- End-to-end logistics connectivity exists in KSA to support investment development
- Local content policies to favor Saudi based manufacturers

### IMPORT DEPENDENCY

- Polysilicon is currently not produced in KSA. Hence, KSA is fully reliant on import of polysilicon

### VALUE CHAIN ANALYSIS



### KEY STAKEHOLDERS



## ENABLING FACTORS

### ENABLERS

- Up to 75% of project financing by Saudi Industrial Development Fund (SIDF) and 2-year grace period for the repayment of loans
- HRDF covers monthly salaries for 30-50% of Saudi employees (extra 10% for females) for 2 years, provided it does not exceed USD 4,000

### COST OF DOING BUSINESS IN KSA

Factor	Ranking Amongst Regional Peers
Electricity tariffs for industrial players	\$48 /MWh
Productivity adjusted wages	\$3.3 /hour
Logistics Performance Index (1 – 5)	3.2
Construction Costs (Indexed to US, % 0 is cheapest)	74
Ease of getting credit (0 – 100)	50



Sources for Cost of Doing Business: EIU, World Bank

Bottom 25% | Top 75% | Top 50% | Top 25%

# DEFINITIONS

#	SCORECARD SECTION	DEFINITIONS
1	Market size	Size of market in value/volume in KSA and/or Region (MENA/GCC) covering future projections based on available estimates from published /government sources
2	Demand drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Competitor analysis	List of the local & international players manufacturing the underlying product in Saudi Arabia and their market share
7	Global trends	Latest business developments within the sector/product category
8	Scalability and localization	Ease of scaling the business across the value chain or into new adjacent products or geographies that would maximize the opportunity's investment returns and the ability and potential to locally manufacture the product and its components
9	Import dependency	An overview of the countries from which Saudi Arabia is importing the product and their value/volume and share in total imports
10	Value chain analysis	The process or activities that would potentially need to be carried out to deliver the underlying product or service
11	Key stakeholders	Government institutions, organizations, and/or authorities that participate or influence the market for the underlying product/service
12	Enablers	Factors that enable investment in the underlying opportunity
13	Cost of doing business in KSA	Key factors that position KSA as a competitive destination for investment in the region. Productivity adjusted wages do not include cost of \$1.23/hour towards annual recurring charges including work permit, resident identity (iqama) and health insurance

# DISCLAIMER

- This report must be used only to access information, and the information must not be construed, under any circumstances, explicitly or implicitly, as an offer to sell or a solicitation to buy or sell or trade in any opportunity herein mentioned.
- Ministry of Investment (MISA) has no undertaking to update these materials after the date, with the understanding that such information may become outdated or inaccurate.
- Mentioned information in this report is obtained from reliable sources but its accuracy and reliability are in no way guaranteed. No guarantee of any kind is tacit or explicit when projections of future conditions are attempted. MISA has used public/or confidential data and assumptions and has not independently verified the data and assumptions used in the analyses. Changes in underlying data or operating assumptions will clearly impact the analyses and conclusions.
- The financial evaluations, projected market and financial information, and conclusions contained in these materials are based upon standard methodologies, are not definitive projections, and are not guaranteed by MISA
- The content of this report must not be construed as an implied promise or guarantee for profit or limited loss express or implied by or from MISA or any of its officers, directors, employees and affiliates. All mentioned investments in this report are subject to risk, which should be considered prior to making any investment decisions
- MISA shall have no liability whatsoever to any third party, and hereby any third party waives any rights and claims it may have at any time against MISA with regard to this report, any services or other materials, including the accuracy or completeness thereof.

**CONNECT WITH US FOR MORE DETAILS:**

**[Metals@misa.gov.sa](mailto:Metals@misa.gov.sa)**

investsaudi.sa



@investsaudi

